

UNITED STATES DISTRICT COURT FOR THE
DISTRICT OF CONNECTICUT

SECURITIES AND EXCHANGE COMMISSION,	:	
	:	
Plaintiff,	:	
	:	Civil Action No.
	:	
v.	:	
	:	
JOHN N. MILNE,	:	
	:	
Defendant.	:	
	:	

COMPLAINT

Plaintiff Securities and Exchange Commission (the “Commission”) alleges as follows:

NATURE OF THE ACTION

1. From 2000 through 2002, John N. Milne (“Milne”), the former Vice-Chairman, President, Chief Acquisition Officer and Chief Financial Officer of United Rentals, Inc. (“URI” or “the Company”), engaged in a series of fraudulent accounting schemes in order to meet the Company’s earnings forecasts and analyst expectations, in violation of the federal securities laws. In the face of deteriorating business conditions at URI, Milne and Michael J. Nolan (“Nolan”), URI’s then-Chief Financial Officer, carried out the fraud primarily through a series of interlocking three-party sale-leaseback transactions, in which URI sold used equipment to a financing company (“Financing Company”) and then leased the equipment back for a short period. To induce the Financing Company to participate in these transactions, Milne and Nolan arranged for a third-party equipment manufacturer to guarantee the Financing Company against any losses. At the same time, URI guaranteed the equipment manufacturer against any losses

